

**MINUTES OF THE REGULAR MEETING OF THE COUNCIL
OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA,
HELD TUESDAY, MAY 9, 2006, AT 7:00 P.M.**

The meeting was called to order by Mayor Elaine M. Scruggs, with Vice Mayor Thomas R. Eggleston and the following Councilmembers present: Joyce V. Clark, David M. Goulet, H. Philip Lieberman, and Manuel D. Martinez. Councilmember Steven E. Frate was absent.

Also present were Ed Beasley, City Manager; Pam Kavanaugh, Assistant City Manager; Craig Tindall, City Attorney; and Pamela Hanna, City Clerk.

COMPLIANCE WITH ARTICLE VII, SECTION 6(c) OF THE GLENDALE CHARTER

A statement was filed by the City Clerk that the three resolutions and two ordinances to be considered at the meeting were available for public examination and the title posted at City Hall more than 72 hours in advance of the meeting.

APPROVAL OF THE MINUTES OF THE APRIL 25, 2006 CITY COUNCIL MEETING

It was moved by Goulet, and seconded by Clark, to dispense with the reading of the minutes of the April 25, 2006 regular City Council meeting, as each member of the Council had been provided copies in advance, and approve them as written. The motion carried unanimously.

PROCLAMATIONS AND AWARDS

2006 RUTH BYRNE HISTORIC PRESERVATION AWARD

This is a request for the City Council to honor Ms. Julia Phillips as recipient of the 2006 Ruth Byrne Historic Preservation Award.

On November 23, 2003, the City Council adopted the Historic Preservation Plan (HPP). The HPP recommends that the Historic Preservation Commission develop ongoing support and awareness for historic preservation. The Ruth Byrne Historic Preservation Award has been in existence since 1996 and honors individuals or groups that have provided outstanding contributions to historic preservation in Glendale.

The annual Ruth Byrne Historic Preservation Award provides a significant opportunity for the community to honor individuals and organizations for outstanding contributions to historic preservation. On March 23, 2006, the Historic Preservation Commission reviewed four nominations and unanimously decided to award Ms. Julia Phillips the 2006 Ruth Byrne Historic Preservation Award.

Ms. Julia Phillips has been a tour guide for the Glendale Historical Society at Sahuaro Ranch Park for the past 15 years. Ms. Phillips has informed and delighted thousands of visitors about Glendale's heritage. During the past five years, Ms. Phillips has been in charge of collecting, displaying, and preserving historic artifacts relating to Glendale history for the Glendale Historical Society.

Ms. Phillips was responsible for starting a military uniform collection from each branch of the military. Each fall, Ms. Phillips sets up a military display at the guesthouse and each spring she is responsible for a display of wedding dresses and bridal artifacts. Ms. Phillips has a unique ability to work with others to achieve successful projects and has been an outstanding member of the Glendale Historical Society, serving as its Treasurer and Vice President, and is currently a Director. Ms. Phillips' work at Sahuaro Ranch has been remarkable, and her work to preserve historic artifacts is superb.

The award increases awareness and support for historic preservation activities and helps to create a strong positive image of Glendale as a city that is committed to historic preservation.

The Historic Preservation Commission sent letters to organizations asking for nominations. An article was published in the newspaper announcing the award nomination request. The Commission received four nominations for the 2006 Ruth Byrne Historic Preservation Award.

The recommendation was to present the 2006 Ruth Byrne Historic Preservation Award to Ms. Julia Phillips.

Mayor Scruggs called Mr. David Jarnagin, Chairman of the Historic Preservation Commission, forward to present the 2006 Ruth Byrne Historic Preservation award to Ms. Julia Phillips.

Ms. Phillips thanked the Mayor and Council as well as the Historic Preservation Commission for the award. She said she has been friends with Ruth Byrne for the past 16 years and she is familiar with her work in historic preservation. She stated she is proud to receive the award named in Ruth Byrne's honor.

Mayor Scruggs noted Ms. Byrne was present for the presentation of the award.

2006 NATIONAL HISTORIC PRESERVATION MONTH PROCLAMATION

This is a request for the City Council to issue a proclamation recognizing May 2006 as "National Historic Preservation Month".

The Glendale Historic Preservation Plan, adopted by the Council on November 23, 2003, recommends that the Historic Preservation Commission (HPC) develop a strong awareness and support for historic preservation. The recognition and

celebration of “National Historic Preservation Month” by the citizens of Glendale is one important activity to help achieve the plan’s recommendations.

The National Trust for Historic Preservation, in partnership with communities and historical societies throughout the nation, recognizes May as “National Historic Preservation Month”. Communities are encouraged to conduct historic preservation awareness activities. The HPC will hold its third Annual Historic Preservation Tour on May 13, 2006, touring homes in the Catlin Court Historic District to honor the celebration of “National Historic Preservation Month”.

The City Council has annually approved the “National Historic Preservation Week or Month”.

The recommendation was to issue a proclamation recognizing May of 2006 as “National Historic Preservation Month”.

Mayor Scruggs issued a proclamation recognizing May 2006 as “National Historic Preservation Month”.

Mr. David Jarnagin, Chairman of the Historic Preservation Commission, came forward to accept the proclamation. He thanked the Mayor and Council for the proclamation. He also thanked Ron Short, Deputy Planning Director, for his tireless work on behalf of the Commission. He said the Commission continues to work to preserve the city’s heritage for future generations.

PROCLAMATION OF RECOGNITION FOR DEER VALLEY HIGH SCHOOL SPIRITLINE

This is a request for the City Council to present the Deer Valley High School Spiritline a proclamation of recognition to express our appreciation for the significant accomplishments achieved by the Spiritline and their coach, Vickie Jones.

The Deer Valley High School Spiritline has won numerous competitions, including 1st place in the State AIA Championship for Cheer/Pom, 5A Division II, bringing pride and recognition to themselves, Deer Valley High School and the community of Glendale.

The recommendation was to present Vicki Jones and the Deer Valley Spiritline a Proclamation of Recognition.

Mayor Scruggs called the Deer Valley High School Spiritline forward: Danielle Benedetto, Heidi Burns, Mercedes Camarillo, Selene Contreras-Avi, Jarelle Dybas, Melanie Feguis, Christy Fleming, Andria Franqui, Leigha Graziano, Jessica Grigg, Julie Haddock, Mary Haddock, Amanda Hernandez, Megan Jewell, Jessica Karas, Tracy Kistler, Alexandra Lundberg, Shawna Maresco, Kaylee Mauser, Lhea Miller, Elisabeth Moorhead, Cassandra Olson, Cassandra Owen, Kayla Rhudy, Erica Sheffey, Rebecca

Sigler, Paige Thomas, Jasmine Thompson, Amanda Velasco, Maryna Wilkey, Daylea Wood and Spiritline Coach Vicki Jones.

Mayor Scruggs presented a Proclamation of Recognition to Coach Vicki Jones, and the members of the Deer Valley High School Spiritline. She showed a brief video of the team's interview with ESPN and a portion of their winning routine.

Coach Vicki Jones noted they had five local competitions this year, placing first in every competition. She said they never go into a competition assuming they will win, stating they know they need to exhibit character to pull off the record they had this year. She stated it was a difficult decision to take on the challenge of the ESPN nationwide competition, explaining the competition is done in a different style. She stated they were thrilled to achieve third place and see their routine on nationwide television. She stated they then went to California where they competed at the national level and pulled off another first place award. She said the young women on her team are dedicated and deserve recognition for their effort to be in school every day, even when they are tired and have competitions and games, noting they all maintain excellent grades. She thanked the Mayor and Council for their recognition.

CONSENT AGENDA

Mr. Ed Beasley, City Manager, read Agenda Item Numbers 1 through 6 and Ms. Pamela Hanna, City Clerk, read consent agenda resolutions numbers 7 through 9 by number and title. Councilmember Martinez requested that Agenda Item 2 be heard separately.

1. LIQUOR LICENSE NO. 3-1050 – OCTANE LOUNGE II

This is a request by Carlos Nick Martinez for the City Council to approve a person-to-person transfer of ownership and location transfer for this Series 06 (Bar - All Liquor) license for Octane Lounge II, located at 8160 West Union Hills Drive.

The approval of this license will increase the total number of liquor licenses in this area by one.

The establishment is over 300 feet from any school or church. The Planning Department, the Police Department, and the Maricopa County Health Department have reviewed the application and determined that it meets all technical requirements.

No protests were received during the 20-day posting period.

The recommendation was to forward a recommendation for approval to the Arizona Department of Liquor Licenses and Control for Liquor License Number 3-1050.

3. AUTHORIZATION TO INCREASE APPROPRIATION AUTHORITY FOR FUEL SERVICES AND FLEET OPERATIONS

This is a request for the City Council to authorize a transfer of general fund contingency appropriation authority totaling \$695,000. This appropriation request is being made in the event additional funds are needed to purchase the following items and services in this current fiscal year, Fiscal Year 2005-06.

Of the \$695,000 appropriation request, \$400,000 will be allocated to the Equipment Management Fuel Services Division for the potential purchase of motor fuels and the remaining \$295,000 will be allocated to various accounts in the Equipment Management Division for the potential purchase of fleet repair and management items and professional contractual services for the remainder of Fiscal Year 2005-06.

This authorization will ensure adequate funding appropriation to effectively maintain the city fleet and to maintain high quality service for citizens and contribute to the city's fiscal soundness.

The Field Operations Department's Equipment Management Division provides critical repair and maintenance services to the city's inventory of over 1,300 vehicles and pieces of equipment. Equipment management purchases the items from outside vendors and then sells the items to its internal customers in the departments.

Since May of 2004, the division has experienced growth in the city's fleet of more than 100 vehicles, or 1,000,000 miles per year increase in fleet miles driven, and a 26% increase in parts costs. During a fiscal year, Equipment Management completes over 30,500 vehicle and equipment repairs, with 95% of these services completed at the city's vehicle maintenance facility. Continued growth in the city's inventory and parts costs increases related to the rising cost of steel and oil has lead to increased costs to effectively maintain the city fleet.

On March 28, 2006, the Council approved a transfer of general fund contingency appropriation authority of \$400,000 for the National Auto Parts Association (NAPA) contract for the purchase of automotive parts for the remainder of Fiscal Year 2005-06. This request is not associated with the NAPA parts store operation.

Approval of this appropriation request will ensure that the Equipment Management Division can provide the maintenance, products, and services needed to maintain the fleet vehicles used in providing services to our citizens.

This transaction will require the transfer of appropriation authority from the Fiscal Year 2005-06 General Fund Contingency, Account No. 01-2450-7000 to the Equipment Management Division.

Grants	Capital Expense	One-Time Cost	Budgeted	Unbudgeted	Total
				X	\$695,000

Account Name, Fund, Account and Line Item Number:

Motor Fuels, Account No. 16-6257-7442 \$400,000

Professional and Contractual, Account No. 16-6252-7330, \$100,000

Tire-New, Account No. 16-6252-7441, \$110,000

Oils & Lubricants, Account No. 16-9252-7317, \$40,000

Tire Capping, Account No. 16-6252-7316, \$45,000

The recommendation was to authorize the transfer of \$695,000 in appropriation authority from Fiscal Year 2005-06 General Fund Contingency, Account Number 01-2450-7000 to the Equipment Management Division.

4. AWARD OF CONSTRUCTION CONTRACT FOR INFRASTRUCTURE INTERSECTION IMPROVEMENTS

This is a request for the City Council to approve a Guaranteed Maximum Price (GMP) construction contract with Achen-Gardner Engineering, LLC for \$14,003,140.

One of the Council's goals is to provide high quality services to citizens. Improving and providing transportation options within the city will assist in achieving this goal.

On November 6, 2001, voters approved funding to construct street and intersection improvements throughout the city. These street and intersection improvements will include pavement widening, raised medians, curb, gutter, sidewalk, landscaping, streetlights, under grounding utilities, and traffic signal modifications.

This initial construction contract with Achen-Gardner will include improvements along Glendale Avenue, from 67th to 91st Avenues, 75th Avenue from Camelback Road to Glendale Avenue, 83rd Avenue from Camelback Road to Glendale Avenue, as well as intersection improvements along 67th Avenue at Camelback Road, Bethany Home Road, Glendale Avenue and Bell Road.

On March 28, 2006, the Council approved a Construction Manager at Risk contract with Achen-Gardner Engineering, LLC for pre-construction services.

Construction of pavement widening, raised medians, curb, gutter, sidewalk, landscaping, streetlights and traffic signal modifications will provide greater safety, improved traffic flow, less congestion, and aesthetic enhancements.

This project was presented at public meetings held as part of the Glendale Onboard Transportation Program. Also, public meetings have been held for each design project.

The construction contract award is estimated at \$14,003,140. This transaction will require the transfer of Fiscal Year 2005-06 contingency appropriation authority in the amount of \$3,288,609 from the Transportation Sales Tax contingency fund (25-2439-7000) and the transfer of Fiscal Year 2005-06 contingency appropriation authority in the amount of \$1,470,454 from other capital construction contingency funds.

Grants	Capital Expense	One-Time Cost	Budgeted	Unbudgeted	Total
	X		X	X	\$14,003,140

Account Name, Fund, Account and Line Item Number:

FY 2005-06 67th Avenue: Camelback to Grand, Account No. 33-9478-8300, \$5,082,520
FY 2005-06 67th Avenue: Olive to Bell Road Improvements, Account No. 33-9479-8300 \$873,755
FY 2005-06 75th/83rd/Glendale Street Improvements, Account No. 33-9486-8300, \$5,038,278
FY 2006-07 75th/83rd/Glendale Street Improvements, Account No. 33-9486-8300, \$3,008,587

The recommendation was to approve the Guaranteed Maximum Price construction contract with Achen-Gardner Engineering, LLC in the amount not to exceed \$14,003,140 to construct street improvements.

5. PROFESSIONAL SERVICES AGREEMENT: DOWNTOWN PARKING STRUCTURE

This is a request for the City Council to approve a professional services agreement with Dick & Fritsche Design Group to undertake a mixed-use downtown parking structure feasibility study to include site evaluations, a comprehensive downtown parking policy, programming, and concept design.

One of the objectives of the Council's strategic goal of "One Community with A Vibrant City Center" is to earmark funds for a parking structure downtown and begin construction. The City Center Master Plan discussed the need for new parking facilities in the City Center.

In March of 2006, staff issued a Request for Qualifications (RFQ) for consultants to undertake the study and design of a downtown parking structure. The city received four responses to the RFQ. Staff members from Engineering, Economic Development, Finance/Materials Management, and Marketing/Communications held interviews on April 19, 2006 with the top two candidates.

As a result of those interviews, Dick & Fritsche Design Group of Phoenix was selected as the most qualified firm to perform these services. The purpose of the study phase is to determine the feasibility of the project and identify the needs of the parking

district, the appropriate size of the garage amenity based upon estimated future growth, potential financing options, and a compatible mix of uses.

It is anticipated that the study activities will be undertaken immediately and appropriate conceptual plans could be ready for presentation at an early fall Council Workshop.

Additional parking in the downtown area will benefit citizens and visitors who come to the downtown for shopping, city services, and special events.

Citizens and visitors have stated that there is a need for additional parking in the downtown. This item was often a topic of discussion throughout the development of the City Center Master Plan. There will be more opportunities for citizen input during the course of the feasibility study.

Funds for the feasibility study and design phase of the parking structure are available in the Downtown Parking Structure account.

Grants	Capital Expense	One-Time Cost	Budgeted	Unbudgeted	Total
			X		\$133,100

Account Name, Fund, Account and Line Item Number:
Downtown Parking Structure, Account No. 31-9579-8330

The recommendation was to approve the professional services agreement with Dick & Fritsche Design Group in the amount of \$133,100.

6. AGREEMENT WITH INTERNATIONAL FACILITIES GROUP (IFG) FOR PROFESSIONAL SERVICES AT CONFERENCE AND MEDIA CENTER

This is a request for the City Council to approve an Extension Proposal Agreement from International Facilities Group (IFG) to provide oversight and owner's representation services for the Conference and Media Center project when needed. IFG will act as the city's representative during design, construction and initial operations of the Conference Center, Media Center, Hotel, Waterfront Project and Parking Garage to assist in project development and completion.

This project is consistent with the Council goals of promoting quality economic development projects within the city.

Staff has reviewed the proposed agreement, terms and stipulations as outlined from IFG. This contract will assist in expediting the construction process for these facilities.

IFG will act as the city's representative during design, construction, and initial operations of the Conference Center, Media Center, Hotel, Waterfront Project and Parking Garage. IFG will provide full-time on-site representation during the period of construction of the Conference and Media Center (expected to be March 1, 2006 through December 1, 2006) and through the closeout period (expected to be December 1, 2006 through February 1, 2007).

The Council previously approved a consulting services agreement with IFG, dated March 26, 2002, to provide oversight and owner's representation services for the Conference and Media Center project.

The Conference and Media Center Project will provide a communication and meeting venue to benefit the city residents and visitors. The state-of-the-art center will be a focal point that will offer economic development opportunities and additional revenues to benefit the city and to enhance the quality of life for the entire community.

The Media Center was professionally designed with input from members of the media and is attached to the Marriott Renaissance Hotel and 80,000 square foot convention center. The Media Center will be connected with the new studios for Glendale 11, the city's cable station, providing increased city media coverage to benefit and inform the community of available services and upcoming events.

Development of the Conference and Media Center Project provides a venue that could boost the city tax revenues and increase employment opportunities to benefit the residents and the city.

Funds are available in the Fiscal Year 2006-07 preliminary capital improvement plan in the Revenue Obligations fund (fund 95). The Parking/Convention Center/Media/Cable project was split into three separate projects in the Fiscal Year 2006-07 preliminary capital improvement plan.

Grants	Capital Expense	One-Time Cost	Budgeted	Unbudgeted	Total
	X		X		\$700,000

Account Name, Fund, Account and Line Item Number:

Convention Center, Account No. 95-8224-7330

Parking Garage, Account No. 95-8225-7330

Media Center/Cable Studio, Account No. 95-8226-7330

The recommendation was to authorize the City Manager to enter into an Extension Proposal Agreement with International Facilities Group in an amount not to exceed \$700,000 to provide oversight and owner's representation services for the Conference and Media Center project when needed.

CONSENT RESOLUTIONS

7. APPLICATION FOR DESIGNATION AS PRESERVE AMERICA COMMUNITY

This is a request for the City Council to adopt a resolution to apply for designation as a “*Preserve America* Community.”

The designation as a “*Preserve America* Community” would implement the City of Glendale’s Goals of Quality Economic Development and Vibrant City Center. Historic preservation is a strong economic tool by promoting heritage tourism and can be instrumental in creating a strong historic city center.

Preserve America is a White House Initiative developed in cooperation with the Departments of Interior, Commerce, Agriculture, and Housing and Urban Development, and the Advisory Council on Historic Preservation. It highlights efforts of President and First Lady Bush to preserve our national heritage. One important aspect of the overall program is designation of *Preserve America* communities.

Preserve America designation will be granted to communities that meet three criteria:

- The community has supported, in the past three years, a historic or cultural preservation project that promotes heritage tourism and involves private-public partnership.
- The governing body adopts a resolution indicating its commitment to preservation of its heritage assets.
- The community meets at least five criteria specified in categories of discovering heritage through historic places, protecting historic resources, and promoting historic places.

June 1, 2006 is the deadline for the *Preserve America* application. There are 220 *Preserve America* communities in 34 states of the nation. Prescott, Arizona and the White Mountain Apache Tribe are the only communities in Arizona that have been designated.

Glendale can take pride in having the honor of being named a *Preserve America* community. Additional benefits include:

- National recognition of historic preservation efforts.
- White House recognition through First Lady Bush’s office.
- *Preserve America* road sign, authorization to use logo, listing on web site, regional national press releases, and official state tourism office notification.
- Enhanced community visibility and pride.

Congress approved up to \$5 million in Fiscal Year 2006 for *Preserve America* 50/50 matching grants with a cap of \$150,000 to support a variety of activities related to heritage tourism and innovative approaches to the use of historic properties as educational and economic assets.

The recommendation was to waive reading beyond the title and adopt a resolution to allow the submittal of the application to be considered as a possible *Preserve America* community.

Resolution No. 3954 New Series was read by number and title only, it being **A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, APPROVING THE APPLICATION FOR DESIGNATION AS A PRESERVE AMERICA COMMUNITY.**

8. INTERGOVERNMENTAL AGREEMENT WITH MARICOPA COUNTY FOR COMMUNITY ACTION PROGRAM FUNDING

This is a request for City Council authorization for an amendment to renew the intergovernmental agreement with Maricopa County Human Services Department to provide partial funding in the amount of \$301,699 for the Fiscal Year 2006-07 operation of Glendale's Community Action Program (CAP). There is an additional \$15,000 that is included in the total funding amount for the administration of a youth outreach program.

The Community Action Program is consistent with the Council goals of promoting high-quality services for citizens and one community with strong neighborhoods.

The Community Action Program provides direct services to low and moderate-income Glendale residents. Services include energy assistance payments, minor home repairs, and crisis assistance for families, which includes homeless assistance and temporary rent/mortgage subsidies.

On April 12, 2005, the Mayor and City Council adopted a resolution to enter into an intergovernmental agreement with Maricopa County for Community Action Program funding.

The Community Action Program will ensure that the low and moderate-income Glendale residents will continue to receive crisis services that promote financial stability and enhance the quality of life in Glendale.

The cost of \$301,699 for operation of CAP services is funded by the Maricopa County Human Services Department. The City of Glendale's General Fund supplements the remainder of CAP's budget with an appropriation of \$141,340. The City of Glendale also provides in-kind contributions for the office space, utilities, custodial services, and miscellaneous operating expenses.

Grants	Capital Expense	One-Time Cost	Budgeted	Unbudgeted	Total
X			X		\$443,039

Account Name, Fund, Account and Line Item Number:

Maricopa County Human Services, Account No. 46-0046-4241

City of Glendale General Fund, CAP Account No. 01-0001-4846

The recommendation was to waive reading beyond the title and adopt a resolution authorizing the amendment to renew the annual intergovernmental agreement with the Maricopa County Human Services Department for partial funding of the Community Action Program.

Resolution No. 3955 New Series was read by number and title only, it being **A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING THE CITY MANAGER TO ENTER INTO AMENDMENT NO. 2 TO THE INTERGOVERNMENTAL AGREEMENT WITH THE MARICOPA COUNTY HUMAN SERVICES DEPARTMENT CONCERNING THE CITY OF GLENDALE'S COMMUNITY ACTION PROGRAM.**

9. NOTICE OF INTENT TO INCREASE WATER AND SEWER RATES

This is a request for the City Council to adopt a resolution declaring the city's intent to increase the water and sewer rates effective October of 2006, and setting the public hearing on the proposed increases for June 13, 2006.

One of Glendale's top priorities is to provide safe drinking water 24 hours a day, seven days a week, to its utilities customers. In order to provide the best water and sewer services, and remain in compliance with Federal and State regulatory requirements, there are a series of improvements that need to be completed. These include: construction of the Oasis Water campus, renovation of water and wastewater treatment plants, rehabilitation of the water distribution and sewer collection systems, and security enhancements to critical facilities.

The recommended rate adjustments are necessary to provide the financial resources to complete these required improvements, which are listed in the Capital Improvement Program (CIP), and ensure that the Water and Sewer Enterprise Funds maintain adequate operational cash reserves.

In 2005, as part of the Utilities Department comprehensive annual needs assessment, the consulting firm of Black & Veatch was contracted to update the 2003 water and sewer rate report. This update was necessary to address the revised cost estimates of projects included in the Utilities Needs Assessment and the CIP. These revised cost estimates reflect the inflationary trend in the construction market and additional costs resulting from recommendations of the Utilities Security Master Plan. As part of the evaluation, Black & Veatch also reviewed and evaluated revenues and

revenue requirements of the department. The results of this updated analysis were presented at the March 7, 2006 Council Workshop with the stipulation that the requested adjustment would be for Fiscal Year 2006-07, with Council reviewing the rates annually.

On October 26, 2004, following the legally prescribed public hearing, the Council authorized the adoption of a resolution implementing water rate adjustments effective with the January 2005 water utility billing.

On September 22, 2004, the Council adopted a notice of intention to increase water rates and set the public hearing for October 26, 2004.

The last sewer rate increase was authorized by the Council effective with the February 2004 billing.

Prior to the January 2005 rate increase, no water rate increases had been authorized since November 1, 1995.

The proposed rate adjustment will help to ensure that the city has the financial resources to continue to provide the highest quality water and sewer services to Glendale citizens and remain in compliance with Federal and State regulations.

The recommendation was to waive reading beyond the title and adopt a resolution declaring the city's intent to increase the water and sewer rates effective October 2006 and setting the public hearing for June 13, 2006.

Resolution No. 3956 New Series was read by number and title only, it being **A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, ADOPTING THIS NOTICE OF INTENTION TO INCREASE WATER AND SEWER USER CHARGES; SETTING A PUBLIC HEARING ON THE PROPOSED INCREASES; AND FILING A WRITTEN REPORT SUPPORTING THE PROPOSED INCREASES WITH THE CITY CLERK.**

Mayor Scruggs opened the public comment on the Consent Agenda Items.

Mr. Leonard Clark, a resident of the City of Glendale Barrel District, said as a citizen he has the right to express his concern about the appropriation for fuels. He stated, while the city cannot help that the oil companies are gouging consumers, the increases would result in the citizens of Glendale paying higher taxes. He suggested the city implement programs that will reduce the city's reliance on gasoline. He stated, while he is not familiar with the details of the liquor license cases, he wants to point out that drunk driving is on the rise during these high stress times.

Mayor Scruggs closed the public comment.

It was moved by Lieberman and seconded by Clark, to approve the recommended actions on Consent Agenda Item Nos. 1 and 3 through 9, including the approval and adoption of Resolution No. 3954 New Series, Resolution No. 3955 New Series, and Resolution No. 3956 New Series, and to forward Liquor License Application No. 3-1050 for Octane Lounge II to the State of Arizona Department of Liquor Licenses and Control, with the recommendation for approval. The motion carried unanimously.

2. LIQUOR LICENSE NO. 3-1052 – R T O’SULLIVANS

Mr. Ray Shuey, Chief Financial Officer presented this item.

This is a request by Timothy Raymond O’Sullivan for the City Council to approve a person-to-person transfer of ownership and location transfer for this Series 06 (Bar - All Liquor) license for R T O’Sullivans, located at 5830 West Bell Road.

The approval of this license will increase the total number of liquor licenses in this area by one.

The establishment is over 300 feet from any school or church. The Planning Department, the Police Department, and the Maricopa County Health Department have reviewed the application and determined that it meets all technical requirements.

One protest was received during the 20-day posting period - from Uncle Charlie’s American Grill, at 5285 West Bell Road, Glendale, which also holds a Series 06 (Bar - All Liquor) license.

The recommendation was to forward a recommendation for approval to the Arizona Department of Liquor Licenses and Control for Liquor License Number 3-1052.

Councilmember Martinez pointed out there has been a high number of service calls to the subject location over the past five years. He said he had concerns when the first establishment opened and over the years the police have been concerned about the high number of service calls coming from the location. He asked the Chief of Police to comment on the case.

Chief Conrad said they looked at the application and found 162 calls for service over a five-year period, with the last call for service occurring in September 2005. He stated a representative of the new owner contacted the Police Department prior to submitting their application to explain the type of business they intend to run. He said the applicant hopes to create a family-oriented Irish Pub type establishment. He expressed his opinion the subject establishment will have no greater number of problems than most similar establishments throughout the city. Councilmember Martinez pointed out last week’s DUI Task Force resulted in 71 DUI arrests, with 13 extreme DUI’s and three or four felony DUI’s. He said the kind of license being requested would certainly not help the situation. Chief Conrad said the department is

very aggressive in its enforcement of driving under the influence. He said, while they do not want to encourage driving while intoxicated in any way, he does not know that approval of another establishment will encourage such actions. Councilmember Martinez commented last week's street racing sweep resulted in 41 arrests. He said the previous establishment had a reputation that he fears will carry over to the new establishment. He said he opposes the application.

Vice Mayor Eggleston asked how the number of liquor licenses in the area would increase by one if the establishment has been a bar for several years. Mr. Shuey explained the prior license holder had their license seized in August 2005 by the Arizona Department of Liquor License and Control.

Mayor Scruggs stated she also opposes the liquor license application. She explained many years ago when Last Call Bar and Grill asked for a restaurant liquor license residents to the north of the center sent emails protesting the application based on the activities of the same establishment in Tempe. She stated in that case the Council believed the applicant when they made assurances that the establishment would have a family atmosphere and recommended approval of the request. She said everything the residents warned them about and more came true, stating the stories she heard were horrifying. She stated, while the applicant and the business in the subject case are new, she visited the applicant's website and feel it could lead down the same path. She said the website's advertising does not portray a family atmosphere, with a daily happy hour that runs from 11:00 a.m. until 7:00 p.m. She said she is also concerned by the attitude of the owner of the center, stating Last Call Bar and Grill was in very serious trouble for two years and the owner of the center expressed no interest in resolving the problem, despite her request as well as the Police Department's request to do so.

Mayor Scruggs stated a number of establishments in the area along Bell from 83rd to 51st Avenues have engaged in a lot of bad behavior and reeked mayhem on the area. She said the Police Department is now, thankfully, doing street racing and DUI enforcement on Bell Road, but a tremendous amount of resources are being utilized to address the problem. She stated, while emphasis was put on the fact that the letter of opposition came from a person who has a Series 6 Bar License as well, that person owns an establishment which was forced by the State Liquor Control Board to get a bar license because they did not believe that the establishment would be family oriented, despite the fact that the owner of the establishment had a written agreement with the owner of the center in which he guaranteed a minimum of 40 percent food sales. She pointed out that establishment has historically had 60 percent food sales. She said she does not believe the implication that the person submitted a letter of opposition out of fear of competition.

Mayor Scruggs stated the Council has been discussing proposed legislation that would create a Grill License where an establishment would no longer have to meet the 40 percent food sales requirement. She stated the Council has been very concerned about the legislation and has sent representatives to the Legislature to oppose the bill.

She stated the subject establishment does not purport to meet any minimum food sale requirements and will be located in a center owned by an out-of-state entity that has demonstrated that they are not concerned with problems that occur in the center. She said approval of the license would add another bar in an area that already has problems with DUI's and she sees no need for the bar to locate within the City of Glendale.

It was moved by Martinez and seconded by Eggleston, to deny the application for a liquor license and to forward Liquor License Application No. 3-1052 for R T O'Sullivan's to the State of Arizona Department of Liquor Licenses and Control, with the recommendation for denial. The motion carried by a vote of 5 to 1 with Councilmember Clark voting nay.

Mayor Scruggs asked that a transcript of the meeting outlining the reasons behind Council's recommendation for denial be forwarded to the State Liquor Control Board. She explained a representative of the State Liquor Control Board lectured the Council that the reason cities' recommendations are overridden is because cities do not appear and make their case. Mr. Shuey said the responsibility for arguing the city's position lies with the City Attorney's Office, specifically with Assistant City Attorney Michael Bailey. Mayor Scruggs asked if the Liquor Board would expect a written transcript. Mr. Tindall responded yes.

PUBLIC HEARING

10. PROPOSED INCREASE TO DEVELOPMENT IMPACT FEES

This item was administratively pulled from the agenda by City Manager, Ed Beasley.

PUBLIC HEARING - ORDINANCES

11. ADOPTION OF MODEL CITY TAX CODE OPTION 13

Mr. Ray Shuey, Chief Financial Officer presented this item.

This is a request for the City Council to adopt Option 13 of the Model City Tax Code. This action will repeal Model City Tax Code, Section 21.1-480(d), authorizing the transaction privilege (sales) tax credit offset for franchise fees paid by utility companies.

This action will align the tax code with the existing Arizona Public Service (APS) and Southwest Gas franchise agreements. The enforcement date of Option 13 is the same as the date the city entered into the franchise agreements.

On May 17, 2005, by special election, the citizens of Glendale affirmatively voted to have the city grant utility franchises to APS and Southwest Gas. The city entered into franchise agreements in June of 2005. The franchise agreements do not allow for

the tax credit offset authorized by the Model City Tax Code, Section 21.1-480(d), and thereby require payment of both franchise fees and sales tax. This action will align the tax code with the agreements.

Adoption of the ordinance effectively eliminates the offset of sales tax against utility franchise fees, thereby increasing revenue to the city's general fund.

The recommendation was to conduct a public hearing, waive reading beyond the title, and adopt the ordinance amending the Glendale Model City Tax Code.

In response to Councilmember Lieberman's question, Mr. Shuey explained the franchise agreements for both APS and Southwest Gas are written identically the same and the agreements require payment of the franchise fees and sales tax. He explained the proposed ordinance is a technical correction to the model city tax code, which brings it in line with those agreements. Mr. Tindall stated APS asked the city to bring its tax code into alignment with the franchise agreements. He noted APS and Southwest Gas have both agreed to pay the sales tax payment. Councilmember Lieberman asked if it would result in an increase in revenue to the city. Mr. Tindall said the technical correction would not result in an increase; however, the new franchise agreement does increase revenue over the previous franchise agreement.

Mayor Scruggs opened the public hearing on Agenda Item No. 11. As there were no comments, Mayor Scruggs closed the public hearing.

Ordinance No. 2502 New Series was read by number and title only, it being **AN ORDINANCE OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AMENDING THE MODEL CITY PRIVILEGE (SALES) TAX CODE OF THE CITY OF GLENDALE BY DELETING SUBSECTION (d) OF SEC. 21.1-480 RELATING TO THE TAX CREDIT OFFSET FOR FRANCHISE FEES; AND DECLARING AN EFFECTIVE AND ENFORCEMENT DATE.**

It was moved by Clark, and seconded by Martinez, to approve Ordinance No. 2502 New Series. Motion carried on a roll call vote, with the following Councilmembers voting "aye": Clark, Goulet, Lieberman, Eggleston, Martinez, and Scruggs. Members voting "nay": none.

ORDINANCES

12. ARIZONA PUBLIC SERVICE COMPANY ELECTRICAL EASEMENT: NORTHWEST CORNER OF 55TH AVENUE AND UNION HILLS ROAD

Mr. Larry Broyles, City Engineer presented this item.

This is a request for the City Council to adopt an ordinance granting an electrical easement in favor of Arizona Public Service Company (APS) at the city's Foothills

Recreation and Aquatic Center, on the northwest corner of 55th Avenue and Union Hills Road.

The city requested that APS provide electrical power to the Foothills Recreation and Aquatic Center. In order to provide this service, APS has asked for an electrical easement on city-owned property, running along 55th Avenue, north of Union Hills Road. The total size of the easement is 1,761 square feet. This easement is necessary to protect APS's facilities in this location.

The recommendation was to waive reading beyond the title and adopt an ordinance authorizing the City Manager to execute an electrical easement in favor of Arizona Public Service Company at the northwest corner of 55th Avenue and Union Hills Road.

Ordinance No. 2503 New Series was read by number and title only, it being **AN ORDINANCE OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING THE CITY MANAGER TO EXECUTE AN ELECTRICAL EASEMENT IN FAVOR OF ARIZONA PUBLIC SERVICE COMPANY FOR THE INSTALLATION OF POWER LINES AND RELATED FACILITIES AT THE CITY'S FOOTHILLS RECREATION AND AQUATIC CENTER IN GLENDALE, ARIZONA; AND ORDERING THAT A CERTIFIED COPY OF THIS ORDINANCE BE RECORDED.**

It was moved by Martinez, and seconded by Goulet, to approve Ordinance No. 2503 New Series. Motion carried on a roll call vote, with the following Councilmembers voting "aye": Clark, Goulet, Lieberman, Eggleston, Martinez, and Scruggs. Members voting "nay": none.

NEW BUSINESS

13. APPEAL OF VARIANCE APPLICATION NO. VAR05-02: CLARENCE MORGAN, 7533 NORTH 75TH AVENUE

Mr. Craig Tindall, City Attorney presented this item

This is a request by Jim West, representing Clarence Morgan, to appeal the Board of Adjustment's denial of Variance Application VAR05-02 to the City Council. The variance request would eliminate the required fifteen feet of landscape buffer for the non-residential use adjacent to a single-family district as required by the Zoning Ordinance. The Zoning Ordinance allows the applicant to appeal the decision of the Board of Adjustment to the Council.

The property is a flat rectangular-shaped lot. It has approximately 159 feet of frontage along 75th Avenue; approximately 165 feet of frontage along 73rd Avenue; and is approximately 1,326 feet long. The applicant has constructed a 4,640 square foot industrial building without permits and anticipates having additional industrial buildings

on the site. The applicant was proceeding through the Design Review process for one of several illegally constructed structures on the site when he was advised of the need for variances. The existing walls and driveway were also constructed without building permits or any review by the city. The Building Safety Department took enforcement actions relative to the three illegal structures on the project site.

On June 9, 2005, the Board of Adjustment held a public hearing denying the request after determining that it did not meet all the required findings defined by the Arizona State Statutes and the Glendale Zoning Ordinance.

On March 1, 2005, the applicant sent notification letters to 42 property owners and interested parties advising them of the request for a variance. At the June 9, 2005 Board of Adjustment Hearing, one neighbor spoke concerning the buffer along the residential property line.

The recommendation was to review the record of the Board of Adjustment, consider the applicant's appeal, and based upon the evidence before the Board of Adjustment, act to affirm or reverse, in whole or in part, or modify the Board of Adjustment's decision.

Mr. Tindall pointed out the Council's discussion should focus on those factors that the Board of Adjustment considers when it considers a variance.

Jim West, Applicant's representative, explained the applicant requested two variances, one of which was for a reduced landscape buffer for a wall along 73rd Avenue. He submitted photographs of the wall to the Council, pointing out the wall is in line with an existing wall on the property to the north.

Mr. Tindall asked if the photographs were submitted to the Board as well. Mr. West responded yes.

Mr. West said the Board of Adjustment recommended approval of that variance. With regard to the second variance, he explained Mr. Morgan has been doing business in Glendale for some time, but does not always follow the rules. He said, had Mr. Morgan followed the rules, they would still be requesting the landscape buffer variance on the south side of the property. He explained Mr. Morgan had the property surveyed when he purchased the property and the survey showed his property extended south of an existing fence line. He stated, due to adverse possession, the property owner to the south legally has title to the property; therefore Mr. Morgan lost a portion of his property. He said the General Plan designated the property to the south as industrial; although it is currently zoned single family residential. He pointed out there would be no need for a landscape buffer between the two properties if the property to the south were zoned industrial.

Councilmember Martinez asked if the applicant has already constructed the 4,640 square foot industrial building. Mr. West answered yes, noting Mr. Morgan wishes to construct additional facilities.

Mr. Jon Paladini, City Attorney, explained the granting of a variance is done sparingly and only under exceptional circumstances. He said in reviewing the record the Council would see there is no reason to support the variance. He referred to Page 1 of the Board of Adjustment Minutes, stating the property is a flat, rectangular shaped lot that measures 165 feet by 1,300 feet. He said the minutes state that the applicant could install a landscape buffer along the south property line, but it would require him to relocate the existing drive isle. He stated, while requests for landscape reductions are not unusual, the applicant has installed many improvements without reviewing the city's development standards. He referenced page 8 of the transcript, stating in response to a question from the Chairman Ms. Hillner explained the applicant would have to remove the drive isle and move it to the north, pointing out there would still be enough room for the buildings and his setback. He stated Page 12 of the transcript recaps how Mr. Morgan proceeded without the appropriate reviews and the applicant's argument that they would still be requesting a variance had they followed the rules. He disagreed with that argument, stating if the applicant had worked with Development Services at the front end of the process there would have been no problems. He expressed his opinion the applicant's request fails to meet the first three requirements. He referred to a discussion on page 24 concerning the minimum buffer needed for a variance, stating it was suggested six or eight feet might work. He said, while the General Plan designates the property for light industrial use, the property's current zoning is R1-6 and a single-family house is located on the property to the south. He stated the lack of a buffer would negatively impact the property if it were developed as residential in the future. Mr. Paladini said nothing in the record, transcript or documents weigh in favor of granting the variance. He asked the Council to uphold the Board of Adjustment's decision and deny the variance.

Mayor Scruggs noted a resident has asked to speak. Mr. Tindall explained public comments are not allowed on appeals as the Council is limited to considering the record of the Board of Adjustment hearing.

It was moved by Eggleston, and seconded by Clark, to uphold the Board of Adjustment decision to deny the request.

Councilmember Clark said she will uphold the Board's decision, finding that the applicant self-imposed all of the problems that have been created. She said the applicant apparently does not like to follow the rules and did not take the time to learn about the city's design requirements for the property. She said the applicant's dismissal of the city's process should not be rewarded.

Councilmember Martinez said Mr. West commented the applicant has done business in Glendale for a long time, but chooses to do so in his own way. He agreed the problems were self-imposed, stating he will also vote to uphold the Board's ruling.

Councilmember Lieberman expressed his opinion the request fails to meet any of the criteria for granting a variance. He said he, too, would uphold the Board's decision.

Vice Mayor Eggleston pointed out the property is located adjacent to a property zoned R1-6, stating there must be a buffer between the two properties.

The motion carried unanimously.

MOTION TO EXCUSE COUNCILMEMBER FRATE

It was moved by Eggleston, and seconded by Martinez, to excuse Councilmember Frate from tonight's Council meeting. The motion carried unanimously.

REQUEST FOR FUTURE WORKSHOP AND EXECUTIVE SESSION

It was moved by Eggleston, and seconded by Martinez, to hold a City Council Workshop at 1:30 p.m. on Tuesday, May 16, 2006 in Room B-3 of the City Council Chambers, to be followed by an Executive Session pursuant to A.R.S. 38-431.03. The motion carried unanimously.

CITIZEN COMMENTS

Mr. Leonard Clark, a resident of the City of Glendale Barrel District, said he is saddened to see the old church building languishing, but he is not up to date on the city's plans for the building. He stated he likes the idea of using the overpass to memorialize Marty Robbins, stating it could bring a lot of tax revenue to the city. He expressed concern about the blood donor facility at 59th Avenue and Northern, stating it appears to attract homeless people to the area. He clarified he is not suggesting that they close down the facility. He suggested they conduct a study to see what types of people are using the facility, stating they could use that information to find more effective ways of helping them. He noted seeing people sleeping in the cemeteries at night. He recommended the city establish a Cultural Awareness Day, stating he felt a sense of tension between himself and Hispanics in the community. He expressed concern that Hispanics will be afraid to contact the Police if serious crimes are committed against them for fear of being deported, resulting in those criminal elements growing stronger in the community. He said the Council has done a great job of raising cultural awareness and ensuring hate does not take hold in Glendale. He said the City of Phoenix and other cities have posted notices on their library doors notifying patrons that the librarian cannot tell them if they are being spied on by the government.

COUNCIL COMMENTS AND SUGGESTIONS

Councilmember Clark announced a Yucca District meeting would be held Thursday at 6:30 p.m.

Councilmember Goulet thanked several city departments for their help on last Saturday's Glendale Booster event. He invited the public to attend the Third Annual Downtown Business Affair at the Civic Center next Monday, stating a number of city departments will be present.

Councilmember Lieberman congratulated John Edmonson for being chosen as Citizen of the Year by the Glendale Police Department. He announced the Rose Lane Pool would open on May 18 and 19, with a grand opening ceremony scheduled for May 20. He stated the pool is the finest public or private pool in the state of Arizona.

Vice Mayor Eggleston congratulated the 40 citizens who graduated from Glendale University, noting they join the alumni association, which has nearly 400 members.

ADJOURNMENT

There being no further business, the meeting was adjourned at 7:45 p.m.

Pamela Hanna - City Clerk